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Franklin woman pleads guilty to stealing more than \$680,000 from her employer

Approximately \$680,000 stolen from Greenwood Orthopaedics, PC

(Indianapolis, Ind.) Marion County Prosecutor Terry Curry announced today that Karen Armacost has pleaded guilty to stealing approximately \$681,000 from her employer, Greenwood Orthopaedics, PC.

As set forth in the probable cause affidavit, the Marion County Prosecutor's Office was presented with the case in August 2012. After a thorough and extensive review of financial records, investigators from the MCPO's Grand Jury Division determined that from May 2008 to July 2012, Armacost stole a total of \$681,665.61 from Greenwood Orthopaedics.

As the front office supervisor and accounts payable coordinator, Karen Armacost utilized Peachtree, an accounting software program, to conduct her work at Greenwood Orthopaedics. After entering a current vendor name in the Peachtree program, Armacost would then take the check and make it payable to herself or to petty cash. Because the Peachtree software was the only documentation shown to her supervisors, they were unaware of the 359 checks written to Karen Armacost from May 2008 to June 2012. She also withdrew funds from her employer's bank account to pay for her personal credit cards. The total amount Armacost took from her employer through her check scheme is \$267,041. She stole a total of \$414,624 for credit card payments.

The financial fraud was uncovered by Greenwood Orthopaedics following Armacost's termination in July 2012 for presenting a forged prescription for Vicodin to Wellspring Pharmacy on the city's southside. As set forth in the probable cause affidavit, Armacost admitted to both forging and presenting the prescription.

"As with this crime, white collar scams are particularly egregious because they invariably involve an abuse of the victim's trust," Prosecutor Curry said. "The Greenwood Orthopaedic doctors have cooperated and partnered with our office to ensure that Karen Armacost is brought to justice, and we encourage anyone who has been victimized in this manner to seek our assistance."

None of the personal or medical information of Greenwood Orthopaedics' patients was compromised by the conduct of Armacost, and none of the funds taken by her came from patient funds or impacted the rates patients were charged.

Armacost appeared at her initial hearing today in Criminal Court 6 and pleaded guilty to the following charges: Theft (Class C Felony), Forgery (Class C Felony) and Attempt Obtaining a Controlled Substance by Fraud or Deceit (Class D Felony). She will be sentenced on June 20 at 9:30 a.m.

The Marion County Prosecutor's Office has placed significant emphasis on prosecuting cases involving white collar crime, fraud, and abuse. Among the cases the office has prosecuted include:

- Cheryl Dillon-Britt, who was recently convicted and sentenced to 12 years for the theft of more than \$200,000 from the Alpha Tau Omega Foundation.
- David Rees, an Indianapolis attorney who pleaded guilty earlier this month to stealing \$270,549 from an estate and is scheduled for sentencing on June 18.
- Shela Amos, who was sentenced to 34 years for a scheme in which she led victims to believe that they were legitimately purchasing vacant homes that Amos did not own or have the legal authority to sell.
- Stacy Sheedy, an Indianapolis attorney and accountant who pleaded guilty and sentenced to eight years for stealing approximately \$596,000 from guardianship and family trusts that supported her elderly and disabled clients.